

**MINUTES OF THE  
SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE**

Room 30 West House Building, State Capitol Complex

February 5, 2014 am

**Members Present:** Sen. Allen M. Christensen, Co-Chair  
Rep. Ronda Rudd Menlove, Co-Chair  
Rep. Daniel McCay, House Vice Chair  
Sen. Deidre M. Henderson  
Sen. Luz Robles  
Sen. Evan J. Vickers  
Sen. Todd Weiler  
Rep. Tim M. Cosgrove  
Rep. Paul Ray  
Rep. Edward H. Redd  
Rep. Marc K. Roberts  
Rep. Earl D. Tanner

**Members Absent:** Sen. Peter C. Knudson  
President Wayne L. Niederhauser  
Sen. Brian E. Shiozawa  
Rep. Rebecca Chavez-Houck  
Rep. Brad L. Dee

**Staff Present:** Mr. Russell T. Frandsen, Fiscal Analyst  
Mr. Stephen C. Jardine, Fiscal Analyst  
Ms. Paula Winter, Secretary

**Note:** A copy of related materials and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Call to Order/Approval of Minutes**

Co-Chair Christensen called the meeting to order at 8:00 am

**2. Building Block Lists**

<http://le.utah.gov/interim/2014/pdf/00001808.pdf>  
<http://le.utah.gov/interim/2014/pdf/00001804.pdf>

Russell Frandsen, Fiscal Analyst, reminded the Committee about the materials available.

**3. Building Blocks – Department of Health**

David Patton, Executive Director, Department of Health (DOH), gave an overview of the DOH complexity of needs and changes in caseload.

- A. Lower State Laboratory Turn Around Time to 14 Days  
Robyn Atkinson-Dunn, PhD HCLD/PHLD, Director, Utah Public Health Laboratory, DOH, presented information about the Laboratory responsibility. Dr. Atkinson-Dunn continued to explain two of the main challenges: 1) increased complexity of testing and 2) increased volume of cases. Dr. Atkinson-Dunn presented the requested building block for ongoing funding and went into detail about these two areas and reasons for the request.

Rep. Ray asked if the increase in fees from HB 291 first substitute which increased the fee charged to reinstate a driver's license and put an additional \$60 into the revenue stream is part of this request or separate.

Dr. Patton stated that they are supportive of funding mechanisms that help pay for the toxicology needs and that their responsibility is to demonstrate what the needs are for the lab.

Rep. Ray also inquired about the testing done for spice and bath salts and if that more expensive testing was done in the lab or sent out. Dr. Atkinson-Dunn answered that is sent away and the determination for testing as well as the location for testing is done by the arresting officer.

Rep. Menlove presented her understanding of the fee increases and what they would be funding and asked that there be follow up if the legislation passes. Rep. Menlove also inquired about the testing given when there is a DUI and if it is the same for everyone. Dr. Atkinson-Dunn stated that the police officers are the ones to determine which test is performed. Rep. Menlove asked about the timing of that test returning to them. Dr. Patton emphasized the importance of the quick return of those tests to law enforcement so that action can be taken. Rep. Menlove explained how the fee in HB 291 evolved.

Rep. Redd asked about the financial expense incurred for the Medical Examiner's Office and if the testing is done by the office of the Medical Examiner or if tests are sent out. Dr. Atkinson-Dunn indicated that revenue is received by them from the toxicology testing they do. Rep. Redd inquired how much of this funding would go to the Medical Examiner's office testing and Dr. Atkinson-Dunn stated that about 45% of their testing is from the Medical Examiner. There continued to be conversation and Dr. Robert Rolfs, Deputy Director, Department of Health (DOH), contributed to the discussion of what the funding would cover.

Rep. Menlove read a note from a constituent asking about out of state testing.

- B. Assistant Attorney General at the Department of Health  
Dr. Patton explained this concept and the request to refund the position that was lost to the Inspector General's Office.
- C. Baby Watch Early Intervention Caseload  
Mr. Frandsen explained this item.

E. Medicaid Caseload

1) Medicaid Caseload One-time Decrease for FY 2014

Michael Hales, Deputy Director, Department of Health, referred to the figures on the document entitled Medicaid Caseload One-time Decrease for FY 2014 and explained the information there.

Rep. Menlove asked Mr. Hales to talk about costs from the Affordable Care Act (ACA) that were not prepared for. Mr. Hales explained that there is part of the ACA that imposes a health plan tax on all health and dental plans. He also informed the Committee that depending on how their plans are organized structurally they will be assessed or taxed a certain amount under the ACA regardless of which plan they are providing to. There was further discussion on the tax. Sen. Christensen asked that be put on later agendas.

2) Medicaid Mandatory and Optional Consensus Items Ongoing Funding for FY 2015 was discussed by Mr. Hales

Rep. McCay asked for clarification on the federal match rate for the Committee and how it affects the General Fund. Mr. Hales explained the rate and how it works in our state and how it is distributed. He explained that it relates to household size and per capita income. There was discussion on the federal match rate.

3) Forced Provider Inflation

Mr. Hales continued to explain that there are increases to the Medicaid program where we don't have control. He explained about those who have dual coverage on Medicaid and Medicare and how that is handled. Mr. Hales responded to an inquiry from Rep. Redd.

4) Preferred Drug List (PDL)

Mr. Hales explained that there was a \$1.5 million of General Fund savings being anticipated as they move into FY 2015. Sen. Christensen inquired what additional savings would come about if they were able to get the mental health drugs included in the PDL. Mr. Hales responded that it depends on how the drug list were implemented. Rep. Redd questioned about where the savings of \$1.5 million actually is. Mr. Hales clarified.

5) ACO Provider Rate Increase: inflationary increase

Mr. Hales explained it would take effect in January of 2015 and allow providers flexibility in how services are paid for.

The overall request of the Department is \$13.1 million of ongoing fund.

Rep. Menlove referred back to the Children's Health Insurance Program (CHIP) Consensus Reduction FY 2014 and FY 2015 and asked for an explanation of the pass through payments.

Mr. Hales explained how the program works. Rep. Menlove and Mr. Hales continued discussing the CHIP pass through payments. Dr. Patton stated that Medicaid is probably the most audited program in the government. Rep. Menlove said that there are a lot of questions about pass through funds and it is important for the public to know.

6) Medicaid Managed Information System (MMIS) Replacement one-time increase. Mr. Hales referred to two documents 1) the narrative in terms of the funding request and 2) the MMIS cash flow statement to show appropriations received, the project to date expenditures and what is forecasted by the end of the project. Mr. Hales continued by referring to the documents in his explanation for the request. He also discussed information about future cash flows.

Rep. Tanner referred back to Medicaid Mandatory and Optional Consensus items and asked for a distinction between optional and mandatory. Mr. Hales gave an explanation of the two categories and the operation of the two.

Sen. Christensen gave advice to the Committee to take notes about the Building Block information that is heard.

#### **4. Building Block – Alzheimer’s State Plan Implementation**

Dr. Norman L Foster, M.D., Professor of Neurology, Division of Cognitive Disorders and Director of the Center for Alzheimer’s Care, Imaging and Research

Dr. Foster explained the need for the state of Utah and stated that Alzheimer’s is increasing more rapidly in Utah than any other State and Utah is ill-prepared. He referred to information on documents he passed out and also a power point which was prepared. He stated the goals and also addressed the need for more expertise along with telehealth intervention in rural and underserved areas. This request would be included in the DOH budget with an appropriation of \$350,000. He explained what this would provide for.

Rep. Menlove requested that Dr. Foster prepare more specific information on budget amounts including salary, benefits and equipment being purchased for the Committee.

Rep. Redd stated that this would assist primary care physicians in rural areas and other areas taking care of their patients through the teleconsultation concept.

#### **5. Request for Appropriation (Sen. Christensen) – Medicaid Dental Provider Reimbursement**

Chris Blake, Utah Academy of Pediatric Dentists, Jeff Berg, Clark Romney, Pediatric Dentists explained their purpose and referred to the fee comparison charts. He stated that the service of Medicaid patients can affect the small business of dentists. He referred to some specific services performed and the losses incurred under Medicaid. They are asking for \$2 million ongoing state

dollars to increase the provider reimbursement rates.

Rep Tanner inquired about rate of reimbursement compared to medical providers and there was a conversation with the dentists about the issue. Sen Christensen responded with a suggestion. Mr. Frandsen also spoke about the assessment.

#### **6. Request for Appropriation (Rep. Menlove) Services for Children with Autism**

Rep. Menlove presented a request. She referred to the fiscal note form and referred to the autism pilot done previously and the 3 parts to that: 1) Medicaid autism pilot; 2) Public Employment Health Plan (PEHP) pilot that functioned as a private insurance pilot and 3) the autism treatment account. Rep. Menlove cited the document Autism Services Pilot Projects Update and noted the improvements in performance of autistic children in the program along with the parents. She explained that granting these funds of \$2 million will allow continued treatment of 250 children for Children under Medicaid for children ages 2-6 and then the PEHP would take effect. Rep. Menlove continued to speak of the success of this program and how it has improved life for families of autistic children. Rep. Menlove reviewed the Performance Measures sheet.

Sen. Christensen inquired the percentage in the state this would affect. Rep. Menlove will bring info back this afternoon

Sen. Henderson asked about the graphs and looking at the increased success in one program over another and asked for clarification. There was conversation between the Rep. Menlove and Sen Henderson to understand the graphs and the 3 programs as well as cost per service.

Rep. McCay asked for cost numbers per service and requested more information.

Michael Hales spoke on the costs which are about \$20,000 per year per child in state and Federal funds for the service package with about \$6,000 in state General Funds and about \$14,000 in federal funds. Mr. Hales spoke on the comparison of the PEHP program in comparison. Rep. McCay and Mr. Hales continued to converse about enrollment in the program.

#### **7. Request for Appropriation (Rep. Ray) Traumatic Brain Injury Fund**

Rep. Ray presented his request for \$200,000 in ongoing funding and the purposes and distribution of those funds.

Sen. Christensen moved the remaining items to Friday afternoon

**MOTION:** Sen. Henderson moved to adjourn. The motion passed unanimously.

Co-Chair Christensen adjourned the meeting at 9:51 a.m.

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Sen. Allen M. Christensen, Co-Chair

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Rep. Ronda Rudd Menlove, Co-Chair